

Armstrong
Signature of Sponsor

AMEND Senate Bill No. 778*

House Bill No. 1375

by deleting all language following the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 53, Chapter 10, Part 1, is amended by adding the following as a new section:

Section 53-10-111.

(a) A portable medical record software and system shall be developed by the commissioner of commerce and insurance in consultation with the bureau of TennCare which utilizes specially designed software, card readers, and a medical information smart card to capture and transmit healthcare and medical record information, which includes but is not limited to pharmaceutical utilization, between various health care providers, such as those providers authorized by statute to prescribe and dispense legend drugs pursuant to Section 53-10-101.

(b) This electronic medical record device shall have information entered on it in order to record, store, and make available for healthcare providers and medication dispensers the information required by § 53-10-305(a). The electronic format shall facilitate reporting concerning controlled substances as required by § 53-10-305.

(c) The electronic medical record device shall comply with the confidentiality requirements of §§ 53-10-306 and 53-10-308 and any applicable federal law, including, but not limited to those of the Health Insurance Portability and Accessibility Act.

(d) The department of commerce and insurance and the bureau of TennCare shall develop a pilot program for the testing of and evaluation of the effectiveness of this electronic medical record device. During the period of the pilot program, electronic medical record devices may only be required to be used in those counties having a population, according to the 2000 federal census or any subsequent federal census, of:

<u>not less than:</u>	<u>nor more than:</u>
17,800	17,875
19,500	19,775
20,600	20,700
29,800	29,900
38,900	39,000
39,050	39,150
39,800	39,875
44,200	44,300
51,900	52,000
71,100	71,200
71,300	71,400
105,800	105,900
382,000	382,100

(e) The commissioner of commerce and insurance shall promulgate rules and regulations describing the requirements of prescription drug dispensers in the pilot program area regarding use of the electronic medical record device, including limitations and specific requirements on dispensing Schedule II, III or IV controlled substances to TennCare beneficiaries who have had that drug dispensed to them during the previous ninety (90) days and limitations regarding dispensing Schedule II, III or IV controlled substances to TennCare beneficiaries who do not present an electronic record card to the dispenser. The pilot program shall be implemented by no later than January 1, 2007 and shall terminate one calendar year following implementation.

(f) The bureau of TennCare shall develop and distribute such electronic medical devices and related software and hardware to appropriate persons in this state participating in the pilot program authorized by this section prior to January 1, 2007.

(g) The bureau of TennCare shall purchase and distribute the electronic medical device system prior to January 1, 2007, to the following TennCare providers who voluntarily choose to participate in the pilot program and who are authorized to prescribe under law: physicians, physician assistants, podiatrists, nurses, advanced practice nurses, dentists, osteopathic physicians and optometrists. The provisions of this subsection do not authorize any person to prescribe drugs who is not otherwise authorized to prescribe under law.

(h) In implementing this section, the bureau of TennCare shall purchase and distribute the electronic medical device system to dispensers pursuant to § 53-10-302 who participate in the TennCare program, or any successor program, in the pilot program that sell, barter, give away, or otherwise deliver a legend drug pursuant to § 53-10-101.

(i) The bureau of TennCare shall prepare an annual report on the progress toward implementation of the pilot program and, after implementation, on the effectiveness of the pilot program, and shall provide that report to the joint select committee on TennCare oversight, the senate general welfare committee and the house health and human resources committee no later than January 15 of the year following implementation.

(j) Any licensed nursing home that uses a unit dose system for the administration of medications shall be exempted from participation in any pilot program authorized by this act.

SECTION 2. The commissioner is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.